

**A SOLICITED
PUBLIC-PRIVATE
TRANSPORTATION ACT
REQUEST
FOR
CONCEPTUAL PROPOSALS
FOR
IMPROVEMENTS TO THE
INTERSTATE 81 CORRIDOR IN
VIRGINIA**

Virginia Department of Transportation

VDOT

A. GENERAL:

The Virginia Department of Transportation (VDOT) is soliciting conceptual proposals under the Public-Private Transportation Act of 1995, as amended, (the Act) from private entities who wish to design, construct, improve, maintain and/or operate all or part(s) of the Interstate 81 corridor in Virginia. Proposers are encouraged to carefully read all sections of all pages of this Request for Proposal (RFP) before preparing a conceptual proposal.

The Act is the legislative framework enabling the Commonwealth of Virginia (Commonwealth) and any agency or authority thereof, local governments and other political subdivisions to enter into agreements authorizing private entities to design, construct, improve, maintain, and/or operate qualifying transportation facilities. Private entities submitting a conceptual proposal are strongly encouraged to read and have a sound understanding of the Act.

VDOT, as a responsible public entity under the Act, has determined that soliciting conceptual proposals, reviewing detailed proposals, and negotiating and entering into a comprehensive agreement under the Act to design, construct, improve, maintain and/or operate all or parts of the Interstate 81 Corridor in Virginia should not be undertaken in accordance with procedures which are consistent with competitive sealed bidding as that term is defined in the Virginia Public Procurement Act. Because the probable scope and complexity of any proposal which is being solicited pursuant to this RFP, and which is ultimately accepted by VDOT for designing, constructing, improving, maintaining and/or operating all or parts of the Interstate 81 Corridor in Virginia does not lend itself to competitive sealed bidding, VDOT has determined that it will proceed through procedures, as set forth herein, which are consistent with procedures for procuring "other than professional services" through competitive negotiation. VDOT believes that proceeding with competitive negotiation procedures for Interstate 81 Corridor PPTA proposals is likely to be advantageous to VDOT and the public because of the risk sharing, non-public funding, and other economic benefits which would not otherwise be available through a competitive bidding process, and which will result from following the Act and using a competitive negotiation process. As such, it has been determined that this Public Private Transportation Act proposal will be solicited and negotiated according to the procedures set forth herein, which procedures are consistent with procedures for procurement of "other than professional services" through competitive negotiation pursuant to the Virginia Public Procurement Act.

B. FUNCTIONAL NEEDS:

Interstate 81 is the longest interstate in Virginia, stretching 325 miles from the Virginia-Tennessee border in Bristol, through the Shenandoah Valley to the West Virginia border about ten miles north of Winchester. Interstate 81 is considered to be one of the ten most scenic interstates in the United States.

In order to safely and efficiently serve interstate and intrastate transportation through the 21st century, improvements to Interstate 81 must be developed in a fashion that equally emphasizes moving people and goods, as well as moving cars, trucks and freight. VDOT is seeking innovative proposals that demonstrate a true understanding of the importance of mobility and accessibility as those concepts relate to transportation.

Proposals should focus on a range of short, mid, and long-term solutions, and clearly lay out the financial requirements for each. In every case, the risks, including financial, willing to be taken by the private entity must be clearly specified. Risks that ultimately depend on the financial support of

the Commonwealth or VDOT, or risks otherwise placed upon the Commonwealth or VDOT must be clearly specified.

There are several issues that VDOT views as important to the successful development of the Interstate 81 corridor. Those issues include, but may not be limited to:

1. The development of a corridor that provides a high degree of efficiency and safety for all users. This may include the physical separation of commercial and passenger vehicles through the use of physically separated roadways, lanes, or otherwise designated and restricted travel lanes. Conceptual proposals must demonstrate a working technical knowledge of current research regarding separated truck lanes if they are proposed.
2. The development of the Interstate 81 corridor, to the extent practical, as a multi-modal facility, reasonably shifting a portion of future commercial traffic to rail.
3. The consideration of future public transportation, or other higher occupancy travel, in and around growing urban areas (such as Winchester, Harrisonburg, Roanoke, Christiansburg/Blacksburg and Bristol areas).
4. The potential for a portion of the Interstate 81 corridor to serve as a passenger rail corridor.
5. The expansion or enhancement of interchanges that may improve traffic flow with minimal need for additional mainline improvements. Such improvements may be short- or mid-term solutions; however, they may represent wise investments of resources.
6. The connection of the Interstate 81 corridor to airports, freight rail lines, the Virginia Inland Port, or other existing and rail and transit facilities.
7. The use of Intelligent Transportation Systems (ITS) as short-, mid- and long-term solutions to improving transportation flow and management along the corridor. ITS deployment must be consistent with the guiding principles of VDOT's Smart Travel Strategic Plan.
8. The avoidance and minimization of environmental and social impacts.
9. The incorporation of sensitive designs and use of innovative construction techniques to preserve or enhance the recognized scenic nature of the corridor.
10. The placing of fiber optic conduit or fiber optic cable throughout the corridor.
11. The timely construction, replacement or renovation of bridges and structures.
12. The use and enforcement of varying speed limits, which may vary by time of day, type of vehicle, and/or operating conditions.
13. The protection of necessary rights-of-way through advanced acquisition.
14. Practical or innovative financial risk-sharing mechanisms that assure that the private sector will be a legally recognized at-risk partner with the public sector.
15. The development and operation of rest areas, including overnight parking for commercial vehicles, that provides safe accommodations for all users of the corridor.

16. The appropriate use of competitive processes during all phases (Preliminary Engineering, Right of Way and Construction) of the development of the Interstate 81 corridor in order to assure open access to economic opportunities.
17. The maximum use of technology to enhance the performance of the roadway system.
18. The coordination with adjacent states.
19. The protection of adjacent communities from undue congestion, traffic diversion, noise and other environmental factors.
20. Consideration of the development of the Interstate 81 corridor to its full economic potential.

C. PRIORITIES:

Proposals must include a legible, easy-to-understand schedule of improvements, clearly noting a prioritized hierarchy of projects. These prioritized projects may be partially constructed to meet short-term needs and completed over a specified time period to address the long-term needs. The prioritized list of improvements must be tied to a general cash flow analysis demonstrating how the requirement for revenue will coincide with the availability of cash. This is NOT a request for a detailed financial analysis, but rather a request for a financial overview presenting only the most salient facts.

D. SCHEDULE OF EVENTS FOR THE SUBMISSION OF PROPOSALS:

The following schedule depicts the time frames within which VDOT anticipates completion of each phase of the proposal selection process. Every attempt will be made to move through the process as expeditiously as possible; however, variations in the following schedule may be necessitated due to volume, complexity of proposals received, the need for further information, timely cooperation by proposer, or other unanticipated circumstances. Shorter times for smaller, less complex proposals are possible.

Pre-Proposal conferences held at:

- | | |
|-------------------|--|
| October 1, 2002: | Staunton District, 6 p.m.
Pano's Restaurant at Belle Meade Red Carpet Inn
Rte. 11 South, I-81 Exit 243
Harrisonburg, VA |
| October 2, 2002: | Salem District, 6 p.m.
Wyndham Hotel
I-581, Exit 3W
Roanoke, VA |
| October 3, 2002: | Bristol District, 6 p.m.
Southwest Virginia Higher Education Center
(Campus of Virginia Highlands Community College)
One Partnership Circle
Abingdon, VA |
| October 17, 2002: | Transcripts available for distribution (district offices, Richmond office, and VDOT Internet site: www.VirginiaDOT.org) |

January 17, 2003: Conceptual Proposal due to VDOT no later than 4:00 PM
 February 14, 2003: Go or no-go decision on moving forward with one or more proposals to the Detailed Proposal submission stage
 July 11, 2003: Selection of one or more proposals to move forward to negotiations
 September 30, 2003: Target date for completing negotiations and approving a Comprehensive Agreement with one or more firms

VDOT reserves the right to revise the schedule. Any revisions will be posted on the VDOT Internet site. Proposers who have obtained information will be notified by mail. Any revisions will be posted at least 30 days before the scheduled date.

E. DISADVANTAGED BUSINESS ENTERPRISE:

It is the policy of the Commonwealth and VDOT that Disadvantaged Business Enterprises (DBEs) as defined in 49 CFR Part 26 shall have the maximum opportunity to participate in the performance of VDOT contracts. Proposers are encouraged to take all necessary and reasonable steps to ensure that DBEs have the maximum opportunity to compete for and perform services for the proposer. If the proposer intends to subcontract a portion of the services on the project, the consultant/contractor is encouraged to seek out and consider DBEs as potential subcontractors. The proposer is encouraged to contact DBEs to solicit their interest, capability and qualifications. VDOT feels that these services support 12% DBE participation. Proposals, in order to be accepted, must contain a written acknowledgement of the goal and the requirement, along with an action plan for implementation. Purchase order pass-throughs shall not count toward either the goal or the requirement. Any agreement between a proposer and a DBE whereby the DBE promises not to provide services to other proposers is prohibited.

If a portion of the services are to be subcontracted to a DBE, the following needs to be submitted with your detailed proposal:

- Written documentation of the proposer's commitment to the DBE to subcontract a portion of the services to the DBE, a description of the services to be performed and the percent of participation.
- Written confirmation from the DBE that it is participating, including a description of the services to be performed and the percent of participation.

If the DBE is not certified, the DBE must become certified with VDOT prior to execution of the Comprehensive Agreement. If a DBE is the proposer, the firm will receive full credit for planned involvement of their own forces, as well as the work that they commit to be performed by DBE subcontractors. DBE proposers are encouraged to make the same outreach efforts as other consultants/contractors. DBE credit will be awarded only for work actually being performed by the DBE. When a DBE proposer or subcontractor subcontracts work to another firm, the work counts toward DBE goals only if the other firm is a DBE. A DBE must perform or exercise responsibility for at least 30% of the total cost of its contract with its own force.

F. DEBARMENT:

Proposers must execute and return the attached Certification Regarding Debarment forms, if its firm, subcontractor, or any person associated therewith in the capacity of owner, partner, director, officer

or any position involving the administration of Federal or State funds:

- Is currently under active criminal investigation, suspension, debarment, voluntary exclusion or determination of ineligibility by any federal agency.
- Has been suspended, debarred, voluntarily excluded or determined ineligible by any federal agency within the past 3 years.
- Does have a proposed debarment pending; or has been indicted, convicted, or had a civil judgement rendered against it or them by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past 3 years.

Any of the above conditions will not necessarily result in denial of consideration of the proposal, but will be considered in determining proposer responsibility. For any condition noted, indicate to whom it applies, initiating agency, and dates of action. Providing false information may result in Federal criminal prosecution or administrative sanctions.

G. VDOT RIGHTS RESERVED:

VDOT reserves all rights available to it by Federal and State law, including without limitation, the right in its sole and unfettered discretion to:

- Reject any and all proposals at any time.
- Terminate evaluation of any and all proposals at any time.
- Suspend, discontinue and/or terminate comprehensive agreement negotiations with any proposer at any time prior to the actual authorized execution of such agreement by all parties.
- Negotiate with a proposer without being bound by any provision in the proposal.
- Request or obtain additional information about any proposals.
- Issue addenda to and/or cancel this RFP.
- Revise, supplement or withdraw all or any part of this RFP.
- Decline to return any and all fees required to be paid by proposers hereunder.
- Request revisions to conceptual or detailed proposals.

Under no circumstances shall the Commonwealth, the Commonwealth Transportation Commissioner (Commissioner) or VDOT be liable for, or reimburse, the costs incurred by proposers, whether or not selected for negotiations, in developing proposals or in negotiating agreements. All proposals shall include a signed statement acknowledging that all costs associated with the preparation of the proposal shall be borne exclusively by the proposers and will not be submitted for reimbursement at any future time. Any and all information VDOT makes available to proposers shall be as a convenience to the proposer and without representation or warranty of any kind. Proposers may not rely upon any oral responses to inquiries.

H. PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS:

1. Proposal Review Fee:

A non-refundable, non-negotiable minimum Proposal Review Fee of \$50,000 will be required to offset the costs of processing and reviewing the proposals where construction cost is estimated to exceed \$50 million. A fee of \$10,000 must accompany the conceptual proposal. Prior to entering Phase Three of the evaluation process, the remaining \$40,000 must be submitted. If the cost of reviewing the detailed proposal exceeds the \$40,000 fee, the Commissioner may assess the proposer the additional cost to the Commonwealth to evaluate the detailed proposal and negotiate a comprehensive agreement. For projects where construction cost is estimated to be \$50 million or less, proposers will be required to submit a \$5,000 fee with the conceptual proposal and a \$20,000 fee prior to entering Phase Three. Failure to submit all fees and/or any assessment of costs as set forth above may result in suspension and/or termination of VDOT's consideration of a proposal. All fees shall be submitted in the form of a cashier's check made payable to the Treasurer of Virginia. Proposers submitting multiple project proposals will be required to submit a Proposal Review Fee for each conceptual proposal.

2. Proposal Preparation:

An authorized representative of the private entity submitting the proposal must sign the proposal. All information requested under this section H must be submitted. Proposers failing to submit all information requested for conceptual or detailed proposals may be given an opportunity promptly to submit missing information or may be given a lowered evaluation of the proposal. Conceptual proposals that lack the required information may be rejected.

Proposals should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to complete the proposed project. Emphasis should be placed on completeness and clarity of content.

Proposals submitted for consideration should include a comprehensive scope of work and provide enough information about the project to determine whether it meets criteria stated herein. In addition, the financial plan for the project must contain enough detail so that an analysis will reveal whether the proposed project financing is feasible.

Proposals should be organized in the order requested herein. All pages of the proposal should be numbered. Evaluation of proposals will be better facilitated if proposers will cross reference responses by citing the tab number, and subletter, and repeating the text of the requirement not the text of the proposal. If a response covers more than one page, the tab number and subletter should be repeated at the top of the next page. The proposal should contain a table of contents, which cross references the requirements by category. Information, which the proposer desires to present, that does not fall within any of the requirements should be inserted at an appropriate place or be attached at the end of the proposal and designated as additional material. Proposals that are not organized in this manner risk elimination from consideration.

Each copy of the proposal should be bound or otherwise contained in a single volume where practical. All documentation submitted with the proposal should be contained in that single volume. All proposals must be on 8 ½ x 11 paper, with the exception of the project schedule that may be on a longer sheet of paper, folded to 8 ½ x 11. No font shall be smaller than 12 point. All graphics or

illustrations shall be black and white. No corporate brochure or other general marketing documents shall accompany the submittal. Firms are encouraged to use left-justified margins that maximize the use of the page, and are required to print double-sided pages, except at the beginning on new chapters. An electronic copy of the complete proposal shall be submitted on a CD in Microsoft Word and in a format suitable for publication on VDOT's web site.

Elaborate brochures and other representations beyond that sufficient to present a complete and effective proposal are not permitted. Please do not duplicate information in the proposal. Proposals will not be accepted by facsimile transmission or by electronic mail. All proposals must be received no later than 4:00 p.m. EST on January 17, 2003. Proposals received after this time will not be considered and will be returned unopened. Proposers are required to deliver 20 copies of their Conceptual Proposal to the following address:

US Postal Service regular mail, send to:

Mr. W. W. Barker
Administrative Services Division
Virginia Department of Transportation
1401 E. Broad Street
Richmond, Virginia 23219

Hand delivery, US Postal Service express mail, or private delivery service (FEDEX, UPS, etc.), send to:

Mr. W. W. Barker
Administrative Services Division
Virginia Department of Transportation
1st Floor Reception Desk
1201 E. Broad Street
Richmond, Virginia 23219

Proposals are to be sealed in mailing envelopes or packages bearing the proposer's name, address and the words "Interstate 81 Public-Private Transportation Proposal" clearly written on the outside. The cover page must include the title of the proposal, the name and address of the proposing entity, the person authorized to act on behalf of the proposer and his or her telephone and facsimile numbers.

Also pursuant to the Act, copies of proposals must be provided directly to the governing body of each local jurisdiction (city, county, town etc.) affected by the proposed project. A list of all local jurisdictions being provided a copy of the proposal must accompany the conceptual proposal with name and address of recipient and date delivered.

Proposers who submit a proposal may be required to give an oral presentation of their proposal to the Initial Review Committee, the Advisory Panel, the Commonwealth Transportation Board and/or the public. Such presentations will provide opportunities to educate the responsible public entity and the public and/or clarify aspects of the proposed project.

3. Proposer Understanding of Requirements:

Proposers are responsible to inquire about and clarify any requirement of this RFP that is not understood. NO ORAL REQUESTS FOR INFORMATION WILL BE ACCEPTED. All inquiries concerning this RFP shall be submitted in writing to:

Malcolm T. Kerley, P.E.
Chief Engineer for Program Development
Virginia Department of Transportation
1401 E. Broad Street
Richmond, VA 23219

or

By e-mail: Mal.Kerley@VirginiaDOT.org

All written inquiries shall be received no later than January 2, 2003. NO INQUIRIES WILL BE ACCEPTED AFTER THAT DATE.

4. Virginia Freedom of Information Act (FOIA):

All proposals submitted to VDOT become the property of VDOT and are subject to the Virginia Freedom of Information Act (§ 2.1-340 et seq.). Proposers are advised to familiarize themselves with the FOIA's provisions.

If a proposer has special concerns about proprietary information which it would desire to make available to VDOT, prior to submission of its proposal, such proposer may make a written request to Malcolm T. Kerley, Chief Engineer for Program Development, for a face to face meeting to specify and justify proposed confidential documents. However, it is unlikely that any material required for the conceptual proposal will be viewed as proprietary or confidential.

5. Special Requirements: Please read carefully. Failure to fully comply may result in a rejection of your proposal without a refund of the proposal fee.

- Proposals must demonstrate compliance with the President's Council on Environmental Quality regulations pertaining to conflicts of interest in the preparation of environmental documents under the National Environmental Policy Act (NEPA). Specifically, proposals must demonstrate the method by which VDOT and the Federal Highway Administration will independently control the scope and content of all environmental documents. Conceptual proposals must clearly identify the source of funding for any NEPA activity.
- All information submitted as any part of a proposal shall be treated as public information.
- As a condition of submitting a proposal, the proposer agrees to communicate only with VDOT on any aspect of the proposal. Any contact with VDOT personnel shall be with Malcolm T. Kerley, P.E., who is VDOT's designated contact person. Contact with other VDOT personnel, except for obtaining concept study CD's and pre-proposal conference transcripts, is prohibited.
- All proposals shall contain verification of any third party commitments represented in the proposal.
- Any assumptions regarding ownership and operation of the facility must be clearly identified.
- Any assumptions regarding short or long-term maintenance must be clearly identified.

- All business entities, except for sole proprietorships, are required to register with the Virginia State Corporation Commission (A Business Registration Guide is available on the Internet at <http://www.state.va.us/scc/division/clk/brg.htm>). Foreign Professional corporations and Foreign Professional Limited Liability Companies must possess a Commonwealth of Virginia Certificate of Authority from the State Corporation Commission to render professional services. Any business entity other than a professional corporation, professional limited liability company or sole proprietorship must be registered in the Commonwealth of Virginia with the Department of Professional & Occupational Regulation (DPOR), Virginia Board for Architects, Professional Engineers, Land Surveyors and Landscape Architects (http://www.state.va.us/dpor/ape_regs.htm). DPOR regulations require that all professional corporations and business entities that have branch offices located in Virginia which offer or render any professional services relating to the professions regulated by the Board be registered with the Board. Registration involves completing the required application and submitting the required registration fee for each and every branch office location in the Commonwealth. All branch offices which offer or render any professional service must have at least one full-time resident professional in responsible charge who is licensed in the profession offered or rendered at each branch. All firms involved that are to provide professional services must meet this criteria prior to a contract being executed by VDOT.
- Prospective contractors shall either already be prequalified or be eligible to become prequalified with VDOT prior to executing the Comprehensive Agreement.
- VDOT will not consider any cost proposals submitted by any proposers and will not consent to subcontracting any portions of the proposed work to any subcontractors in violation of the provisions of the Federal Immigration Reform and Control Act of 1986, which prohibits employment of illegal aliens.
- VDOT assures compliance with Title VI of the Civil Rights Act of 1964, as amended. The proposer, any consultant/contractor and all subcontractors will be required to submit a Title VI Evaluation Report (EEO-D2) within 10 work days of notification by VDOT. This requirement applies to all firms with fifteen (15) or more employees or when the contract amount equals or exceeds \$10,000.
- VDOT will not discriminate against any proposer because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.
- Year 2000 Compliant (and Enablement) Warranty: The proposer must warrant that all software, firmware and hardware product(s) delivered to VDOT under any comprehensive agreement, and which is used in accordance with the product documentation provided by the proposer, shall be 4-digit Year 2000 compliant (or approved enabled). All products shall accurately process all date-change data from start to finish, including, but not limited to, twentieth, twenty-first centuries and leap year calculations.

Any product provided under the comprehensive agreement discovered not to be Year 2000 compliant after acceptance shall be corrected by the proposer at no additional cost to VDOT. Failure to correct shall subject the proposer to default action and other legal remedies available to VDOT.

The proposer shall not be responsible for correcting any product(s) (e.g., hardware, software, and firmware) which were not provided under the comprehensive agreement or for correcting any previously owned VDOT products that are used in combination with VDOT's product(s). However, if this solicitation identifies any product or sources of data to be used in combination with the product(s) delivered under the resulting comprehensive agreement, the proposer shall be responsible for providing all necessary interface(s) or other appropriate means for assuring that data output from such other product(s) or source(s) is automatically corrected before being processed by the product(s) or system provided under the comprehensive agreement.

- Copies of the Interstate 81 Conceptual Studies prepared by VDOT must be obtained and reviewed. These studies are available on CD from VDOT. Contact Larry Newcomb at (804) 786-2528 or Fred Kiiffner at (804) 786-6275. The cost for each CD is \$50.00

Study Area #1, MP 7-22, Washington Co., 6 CD's
Study Area #2, MP 22-72, Washington, Smyth & Wythe Co., 8 CD's
Study Area #3, MP 72-83, Wythe Co., 6 CD's
Study Area #4, MP 83-118, Wythe, Pulaski & Montgomery Co., 7 CD's
Study Area #5, MP118-163, Montgomery, Roanoke & Botetourt Co., 4 CD's
Study Area #6, MP 163-180, Rockbridge & Botetourt Co., 6 CD's
Study Area #7, MP 180-229, Rockbridge & Augusta Co., 20 CD's
Study Area #8, MP 229-264, Augusta & Rockingham Co., 14 CD's
Study Area #9, MP 264-305, Shenandoah, Warren & Frederick Co., 7 CD's
Study Area #10, MP 305-328, Frederick Co., 7 CD's

A Corridor Improvements Reports and Information Notebook must also be purchased and reviewed and is available from the above source for \$50.00.

- Transcripts of the pre-proposal conferences must be obtained by the proposer and considered while developing the proposal. Transcripts may be obtained after October 17, 2002 from district offices, Richmond office and the VDOT Internet site: www.VirginiaDOT.org.
- The marketing of the intent or contents of the proposal is strictly prohibited except by VDOT.

6. Executive Summary:

In order to facilitate evaluation by the respective panels of the proposer's capabilities and project feasibility, proposals should be as thorough and detailed as possible so that the respective panels may properly evaluate the proposer's capabilities to complete the proposed project. Proposals should include an executive summary and use cross-referencing rather than repetition in explaining the proposed project.

7. Phase One - Conceptual Proposal:

Proposers are required to submit the following, separated by tabs within the conceptual proposal:

TAB 1: Qualifications and Experience:

- a. Identify the legal structure of the private entity making the proposal. Identify the organizational structure for the project, the management approach and how each firm, partner, contractor and major subcontractor in the structure fits into the overall team.
- b. Describe the recent relevant experience of each entity identified above and the key principals involved in the proposed project. Describe the length of time in business, business experience, public sector experience and other engagements of the entity. The lead organization must be identified.
- c. Provide the names, addresses and phone numbers of persons within the entity who may be contacted for further information.
- d. Include the address, telephone number, and the name of a specific contact person for which the entity or primary members of the entity have completed a similar project.
- e. Provide a financial statement of the private entity and each of its major partners, firms, or other businesses. Submit the most recent Securities and Exchange Commission 10-K and 10-Q reports, if such reports have been filed.
- f. Provide necessary bonding/financial assurances.
- g. Include any planned participation of DBEs during project development and implementation.

TAB 2: Project Characteristics:

- a. Provide a description of the transportation facility or facilities, including the conceptual design and all proposed interconnections with other transportation facilities. Describe the project in sufficient detail so the type and intent of the project, the location, and the communities that may be affected are clearly identified. Describe the assumptions used in developing the project. The project description should be prepared in a way that fully recognizes any federal and/or Commonwealth requirements to analyze other project alignments and alternatives.
- b. Identify and fully describe any work to be performed by VDOT or other public entities using public funds.
- c. Include a list of all federal, state and local permits and approvals required for the project and a schedule for obtaining such permits and approvals. Identify which, if any, permits or approvals are to be obtained by VDOT.
- d. Without completing an Environmental Impact Statement, identify any anticipated adverse social, economic and environmental impacts of the project. Specify the strategies or actions to mitigate known impacts. Identify the projected positive social, economic and environmental impacts of the project.
- e. List the critical factors for your proposal's success.
- f. Identify the proposed schedule dates that shall be met on the project for key portions of the work, including the estimated time for completion.
- g. Propose allocation of risk and liability and assurances for timely completion of the project.

- h. Clearly state the assumptions related to ownership, legal liability, law enforcement and operation of the facility.
- i. Provide information on any phased (partial) openings proposed prior to final completion of the work.
- j. Identify policies and/or procedures for quality assurance in both design and construction phases to include internal quality control procedures and how the quality program shall enhance the finished product.
- k. Identify and address traffic control issues and solutions.

TAB 3: Project Financing:

- a. Provide a preliminary estimate and estimating methodology of the cost of the work by phase and/or segment (e.g. planning, design, construction).
- b. Submit a plan for the development, financing and operation of the project, identifying: the anticipated schedule on which funds will be required; and proposed sources and uses for such funds.
- c. Include a list and discussion of assumptions (user fees or other revenue sources, and usage of the facility) underlying all major elements of the financial plan.
- d. Identify the proposed risk factors and methods for dealing with these factors. All risks, financial or otherwise, shall be clearly specified including risks for which VDOT is expected to guarantee or otherwise assume.
- e. Identify any local, state or federal resources that the proposer contemplates requesting for the project. Describe the total commitment (financial, services, property, etc.), if any, expected from governmental sources and the timing of any anticipated commitment.

TAB 4: Public Support:

- a. Identify who will benefit from the project, how they will benefit and how the project will benefit the overall transportation system.
- b. Identify any anticipated government support or opposition, or general public support or opposition for the project.
- c. Explain the strategy and plans that will be carried out to involve and inform any agency and the public in areas affected by the project.

TAB 5: Project Benefit/Compatibility:

- a. Describe the significant benefits to the community, region or state. Identify any state benefits resulting from the project including the achievement of state transportation policies or other state goals.

- b. Describe significant benefits to the state's economic condition. Discuss whether this project is critical to attracting or maintaining competitive industries and businesses to the state or region.

8. Phase Two - Specific Deliverables:

The following information may be requested in phase two of the evaluation and selection process. Specific requirements and delivery dates will be determined on a case-by-case basis according to the proposed transportation facility.

- a. Provide a topographical map (1:24,000 or other appropriate scale) depicting the location of the proposed facility or facilities.
- b. Provide a list of public utility facilities that will be crossed or affected by the transportation facility and a statement of the private operator's plans to accommodate such utility facility.
- c. Provide a statement setting out the plan for securing all necessary property. The statement must include the names and addresses, if known, of the current owners of the property as well as a list of any property the proposer intends to request the Commissioner to condemn.
- d. Provide a detailed listing of all firms that will provide specific design, construction and completion guarantees and warranties. Include a brief description of the guarantees and warranties. Any guarantees, warranties, or representations regarding quality of materials and assets must be clearly identified
- e. Provide the proposed total life-cycle cost specifying methodology and assumptions of the facility or facilities and the proposed project start date. Include anticipated commitment of all parties; equity, debt, and other financing mechanisms; and a schedule of project revenues and project costs. Include in the life cycle cost analysis a detailed analysis of the projected return and/or rate of return.
- f. Include a detailed discussion of assumptions about user fees or other revenue sources, and usage of the facility such as traffic forecasts and assumptions.
- g. Identify any known government support or opposition, or general public support or opposition for the project. Government/public support should be demonstrated through resolutions of official bodies, minutes of meetings, letters, etc.
- h. Demonstrate consistency with state and local transportation plans and local comprehensive plans or indicate the steps required for acceptance into such plans.
- i. Provide an explanation of how the proposed transportation facility would impact local transportation plans of each affected locality.
- j. Such additional material and information as the responsible public entity may reasonably request.

I. EVALUATION AND SELECTION PROCESS:

1. Four Phase Process:

Proposals will be evaluated according to a four-phase process.

- Phase One will require a conceptual proposal to be submitted for a pre-qualification review conducted by an Initial Review Committee (IRC). Phase One will conclude with a recommendation to the Commissioner to either reject or accept conceptual proposals for further processing. The Commissioner may accept all proposals, reject all proposals, or recommend that one or more conceptual proposals proceed to Phase Two.
- Phase Two will consist of review and approval/rejection of the conceptual proposal or proposals by the Commonwealth Transportation Board.
- Phase Three of the evaluation process will consist of scheduled submission of a detailed proposal or proposals for evaluation and recommendation by a Public-Private Transportation Advisory Panel.
- Phase Four is the final selection of a proposer(s) by the Commissioner. The Commissioner will consider the recommendations of the Advisory Panel and will select proposal(s) that satisfy the goals of the Act. Final authorization to design, construct, improve, maintain and/or operate any qualifying transportation facility will be contingent on successful negotiation and execution of a comprehensive agreement. The comprehensive agreement will, at a minimum, outline the rights and obligations of the parties; set a maximum return or rate of return, if applicable; allocate risk and liabilities; and establish dates for termination of the comprehensive agreement and dedication of the facility to the Commonwealth.

2. Phase One: Initial Review Committee (IRC)

Composition:

The IRC will evaluate the proposer's qualifications as well as the technical and financial feasibility of each proposal.

The IRC will be chaired by the Deputy Commissioner of VDOT, and include the Chief Financial Officer, the Chief Engineer for Program Development, the Chief of Operations and an Assistant Director of the Department of Rail and Public Transportation.

The IRC will perform the phase one preliminary qualification review of each conceptual proposal to determine whether the proposer has, in the sole opinion of the IRC, (i) submitted a complete proposal; (ii) assembled a team which is qualified and capable of completing the proposed facility; (iii) developed a conceptual plan which is technically feasible; and (iv) provided a financial plan which will allow access to the necessary capital to finance the facility. The IRC may consider the advice of the Commonwealth Transportation Board's Financial Advisor, private legal counsel, other state agencies with appropriate technical expertise, and a representative from the Attorney General's Office, where appropriate, in reaching its decision. The IRC will file a written explanation of its recommendation with the Commissioner and, if federal funding is anticipated, with FHWA.

3. Phase Two: The Commonwealth Transportation Board Approval:

At the first monthly meeting of the Commonwealth Transportation Board (CTB) following a determination by the Commissioner that a conceptual proposal merits further review, the Board will

review the conceptual proposal and at the following meeting of the CTB shall approve or disapprove it for further evaluation.

Upon Board approval, those conceptual proposals will be forwarded to the Public-Private Transportation Advisory Panel along with the evaluations supporting the determination that based on the proposer's qualifications and technical and financial feasibility, the proposal(s) merit further review and final evaluation. Proposers whose proposals advance to Phase Three will be contacted by the Deputy Secretary of Transportation and advised of initial specific deliverables which will be required for the Public-Private Transportation Advisory Panel to make its evaluation. Unsuccessful proposers will be so notified.

4. Phase Three: Public-Private Transportation Advisory Panel Recommendation

Composition:

The Public-Private Transportation Advisory Panel (the Advisory Panel) will be comprised of individuals having appropriate expertise and knowledge to objectively evaluate and analyze which proposals would promote the Commonwealth's transportation goals and are in the public interest.

The Deputy Secretary of Transportation will chair the Advisory Panel, which will include a member of the Commonwealth Transportation Board appointed by the Chairman of the Board, the Chief Financial Officer, the Chief Engineer for Program Development, the Chief of Operations, an Assistant Director of the Department of Rail and Public Transportation, and an appropriate representative from the academic community.

Purpose:

The primary focus of the Advisory Panel's review will be to evaluate proposals using the evaluation and selection criteria to determine whether the proposal(s) promotes the Commonwealth's transportation goals and serves the public interest. The Panel may consider the advice of the Commonwealth Transportation Board's Financial Advisor, private legal counsel, other state agencies with appropriate technical expertise, and a representative from the Office of the Attorney General, where appropriate, in making its written recommendations.

Public Comment:

The Act requires that a copy of each proposal submitted be provided by the proposer to each affected local jurisdiction as defined in the Act that is not a responsible public entity. Proposers must provide a copy of the Phase One conceptual proposal and the Phase Three detailed proposal to any and all affected local jurisdictions at such time as the proposal is submitted to VDOT. Those affected local jurisdictions shall have 60 days from receipt of the detailed proposal to submit written comments to the responsible public entity. Local comments are encouraged as early as possible in the process to maximize consideration.

Selection:

After the comment period for affected local jurisdictions has expired, the Advisory Panel may request proposers to make presentations to the Panel. The format of these presentations will include a formal presentation by the proposer; followed by any questions the Advisory Panel may have pertaining to the proposal or the presentation. The Advisory Panel may also ask the proposer to address concerns expressed through the public comment process. These meetings will allow the Advisory Panel to seek clarification of proposal elements and complete deliverable requirements, and provide proposers with the opportunity to further explain their proposal. If there is an issue to which the proposer is unable to respond during the formal presentation, the Advisory Panel may, at its discretion, grant the proposer a reasonable period of time in which to submit a written response.

Following the formal presentations, the Advisory Panel will evaluate all proposals using the criteria listed under Section J, as well as the Initial Review Committee's Report, information gathered at the presentations to the Advisory Panel, and local jurisdiction comments, in selecting proposals to recommend to the Commissioner. The Advisory Panel may elect to recommend any number of proposals received.

5. Phase Four: The Commissioner's Selection:

The Commissioner will review the recommendations of the Advisory Panel and select from those proposals recommended, proposals which (i) satisfy a public need; (ii) are compatible with the state transportation and local comprehensive plans; (iii) are reasonable in terms of cost based on independent VDOT estimate; and (iv) will result in the timely acquisition, construction of or improvements to the transportation facility, as set forth pursuant to § 56-560 C of the Act. On proposals with estimated cost of \$1 Billion or more, which expect federal funding, an independent cost evaluation must be performed by FHWA.

Final authorization by the Commissioner for the private entity to design, construct, improve, maintain or operate any transportation facility, will be contingent on successful negotiation and execution of a comprehensive agreement. The comprehensive agreement will, at a minimum, outline the rights and obligations of the parties; set a maximum return or rate of return, if applicable; allocate risk and liability; and establish dates for termination of the comprehensive agreement and dedication of the facility to the Commonwealth.

VDOT reserves the right to revise the evaluation and selection process. Any revisions will be posted on the VDOT Internet site. Proposers who have obtained information will be notified by mail. Any revisions will be posted at least 30 days before proposals are due.

J. PROPOSAL EVALUATION AND SELECTION CRITERIA:

The following items will be considered, but the weighting and final decision is subject to the sole discretion of the respective evaluating panel or official.

Qualifications and Experience Does the proposer propose a team that is qualified, led, and structured in a manner that will clearly enable the team to complete the proposed project?

1. **Experience with Similar Infrastructure Projects** - Have members of this team previously worked together constructing, improving or managing transportation infrastructure? Has the lead firm managed, or any of the member firms worked on, a similar privatization project?
2. **Demonstration of Ability to Perform Work** - What commitments has the team made to carry out the project? Does the team have a track record of timely completion of projects? Does the team possess the necessary financial, staffing, equipment, and technical resources to successfully complete the project? Do the team and/or member firms have competing financial or workforce commitments that may inhibit success and follow-through on this project?
3. **Leadership Structure** - Is one firm designated as lead on the project? Does the organization of the team indicate a well thought out approach to managing the project? Is there an agreement/document in place between members?

4. **Project Manager's Experience** - Is a Project Manager identified, and does this person work for the principal firm? If not, is there a clear definition of the role and responsibility of the Project Manager relative to the member firms? Does the Project Manager have experience leading this type and magnitude of project?
5. **Management Approach** - Have the primary functions and responsibilities of the management team been identified? Have the members of the team developed an approach to facilitate communication among the project participants? Has the firm adequately described its approach to communicating with and meeting the expectations of the Commonwealth?
6. **Financial Condition** - Is the financial information submitted on the firms sufficient to determine the firms' capability to fulfill its obligations described in the project proposal?
7. **Project Ownership** - Does the proposal identify the proposed ownership arrangements for each phase of the project and indicate assumptions on legal liabilities and responsibilities during each phase of the project?
8. **Participation of DBEs** - What is the level of commitment by the proposers to use DBE enterprises in developing and implementing the project?
9. **Competitive Bidding** - To what extent have adequate and transparent procurement policies been adopted by the proposer to maximize competitive bidding opportunities for potential subcontractors and suppliers?
10. **Long-Term Commitment to Safety** - What is the safety record of the firm or firms that comprise the team?
11. **Appropriately Skilled Workforce** - Do the firms on the team have training programs, including but not limited to apprenticeship programs, in place for employees?

Project Characteristics Is the proposed transportation facility technically feasible?

1. **Project Definition** - Is the project described in sufficient detail to determine the type and size of the project, the location, all proposed interconnections with other transportation facilities, the communities that may be affected, and alternatives (e.g. alignments) that may need to be evaluated?
2. **Proposed Project Schedule** - Is the time frame for project completion clearly outlined? Is the proposed schedule reasonable given the scope and complexity of the project? Does the proposal contain adequate assurances that the project will be completed and will be completed on time?
3. **Operation** - Does the proposer present a reasonable statement setting forth plans for operation of the facility?
4. **Technology** - Is the proposal based on proven technology? What is the degree of technical innovation associated with the proposal? Will the knowledge or technology gained from the project benefit other areas of the state or nation? Does the technology proposed maximize interoperability with relevant local and statewide transportation technology? Can the proposed project upgrade relevant local technology?

5. **Conforms to Laws, Regulations, and Standards** - Is the proposed project consistent with applicable state and federal statutes and regulations, or reasonably anticipated modifications of state or federal statutes, regulations or standards? Does the proposed design meet appropriate state and federal standards?
6. **Federal Permits** - Is the project outside the purview of federal oversight, or will it require some level of federal involvement due to its location on the National Highway System or Federal Interstate System or because federal permits are required?
7. **Meets/Exceeds Environmental Standards** - Is the proposed project consistent with applicable state and federal environmental statutes and regulations? Does the proposed design meet appropriate state environmental standards? Does the proposal adequately address or improve air quality conformity?
8. **State and Local Permits** - Does the proposal list the required permits and schedule to obtain them? Are there negative impacts known for the project? If so, is there a mitigation plan identified? Are alternatives to standards or regulations needed to avoid those impacts that cannot be mitigated?
9. **Right of Way** - Does the proposal set forth the method by which the private operator proposes to secure all property interests required for the transportation facility? Does the statement include: the names and addresses, if known, of the current owners of the property needed for the facility, the nature of the property to be acquired, and a listing of any property that the responsible public entity is expected to be requested to condemn?
10. **Maintenance** - Does the proposer have a plan to maintain this facility in conformance with VDOT standards? Does the proposal clearly define assumptions or responsibilities during the operational phase including law enforcement, toll collection and maintenance?

Project Financing Has the proposer provided a financial plan and financial guarantees which will allow for access to the necessary capital to finance the facility?

1. **Financing** - Did the proposer demonstrate evidence of its ability and commitment to provide sufficient equity in the project as well as the ability to obtain the other necessary financing?
2. **Financial Plan** - Does the financial plan demonstrate a reasonable basis for funding project development and operations? Are the assumptions on which the plan is based well defined and reasonable in nature? Are the plan's risk factors identified and dealt with sufficiently? Are the planned sources of funding and financing realistic? Does the proposer make a financial contribution to the project?
3. **Estimated Cost** - Is the estimated cost of the facility reasonable in relation to the cost of similar projects? A significant portion of the final determination will rely on a cost/benefit analysis.
4. **Life Cycle Cost Analysis** - Does the proposal include an appropriately conducted analysis of projected rate of return and life cycle cost estimate of the proposed project and/or facility?
5. **Business Objective** - Does the proposer clearly outline his reason for pursuing this project? Do his assumptions appear reasonable?

Public Support: Has the proposer garnered sufficient public support for the proposed project?

1. **Community Benefits** - Will this project bring a significant transportation and economic benefit to the community, the region, and/or the state? Are there ancillary benefits to the communities because of the project?
2. **Community Support** - What is the extent of support or opposition for the project? Does the project proposal demonstrate an understanding of the national and regional transportation issues and needs, as well as the impacts this project may have on those needs? Is there a demonstrated ability to work with the community?
3. **Public Involvement Strategy** - What strategies are proposed to involve local and state elected officials in developing this project? What level of community involvement has been identified for the project? Is there a clear strategy for informing, educating and obtaining community input through the development and life of the project?

Project Compatibility Is the proposed project compatible with state and local comprehensive plans?

1. **Compatibility with the Existing Transportation System** - Does this project propose improvements that are compatible with the present and planned transportation system? Does the project provide continuity with existing and planned state and local facilities?
2. **Fulfills Policies and Goals** - Does the proposed project help achieve performance, safety, mobility or transportation demand management goals? Does the project improve connections among the transportation modes?
3. **Enhance Community-Wide Transportation System** - Are there identified project benefits to the affected local jurisdiction's transportation system? Does this project enhance adjacent transportation facilities?
4. **Consistency with Local, Regional and State Transportation Plans** - Is the project consistent with city and county comprehensive plans and regional transportation plans? Is this project consistent with plans and documents of the Virginia Multimodal Long Range Plan? If not, are steps proposed that will achieve consistency with such plans?
5. **Economic Development** - Will the proposed project enhance the state's economic development efforts? Is the project critical to attracting or maintaining competitive industries and businesses to the region, consistent with stated objectives?
6. **Intermodal/Rail** - Does the proposed project enhance intermodal/rail facilities?

K. THE COMPREHENSIVE AGREEMENT:

Prior to designing, constructing, improving, maintaining and/or operating a transportation facility, the proposer(s) selected must enter into a comprehensive agreement with VDOT. A working group chaired by the Commonwealth Transportation Commissioner and including the Deputy Secretary of Transportation, a representative of the Office of the Attorney General, the CTB Financial Advisor and private legal counsel for VDOT, and VDOT staff will be responsible for negotiating the comprehensive agreement. Each comprehensive agreement will define the rights and obligations of VDOT and the respective private operator with regard to the project.

The terms of the comprehensive agreement shall include but not be limited to:

1. The right of the operator, as that term is defined in the Act, to design, construct, improve and/or operate the transportation facility, the duration of the operator's rights to operate the transportation facility, and the conditions under which the transportation facility will be dedicated to the responsible public entity;
2. The mechanism by which user fees or any other revenue sources may be established from time to time upon agreement of the parties. Any user fees shall be set at a level that, taking into account any service payments, provides the operator the rate of return on investment specified in the comprehensive agreement;
3. The performance milestones that will be required of the operator;
4. The right of the operator to cross, subject to applicable permit requirements and other requirements of law, any canal or navigable water course;
5. The manner in which utilities are to be crossed or relocated and the obligation to pay the cost thereof;
6. The manner in which the operator and VDOT will work together to establish interconnections and interoperability between the transportation facility and other public transportation facilities;
7. The procedures by and conditions under which the Commissioner will exercise his power of eminent domain to facilitate the transportation facility;
8. The design, construction, operation and maintenance standards with which the operator must comply;
9. The requirements of the operator to submit plans and specifications for the transportation facility to VDOT for approval;
10. The right of VDOT to inspect construction of or improvements to the transportation facility;
11. The obligation of the operator to maintain the transportation facility and the rights of VDOT to monitor the operator's maintenance;
12. The right of the operator to make and enforce, with the consent of VDOT reasonable rules with respect to the transportation facility;
13. The terms under which the operator will reimburse VDOT for services provided;
14. The reasonable maximum return or rate of return on investment authorized for the operator to earn, the formula by which such rate of return will be calculated and the distribution of project revenues;
15. The terms and conditions under which VDOT may contribute financial and/or in-kind resources, if any, for the transportation facility;
16. The events that will constitute operator defaults, operator's rights to notice and cure and the remedies available to VDOT;

17. The events that will constitute VDOT defaults, VDOT's rights to notice and cure and the remedies available to the operator;
18. Lender's rights and remedies with respect to operator defaults and VDOT remedies;
19. The events that will constitute force majeure and the remedies the parties will have in the event of occurrence;
20. The insurance and bonding requirements the operator will be required to meet at each stage;
21. The allocation between the operator and VDOT of liabilities for, among others, property damage, personal injury, transportation facility repair and hazardous waste remediation;
22. The obligations of the operator to maintain records, to allow inspection and audit and to provide regular reports to VDOT;
23. The conditions under which the operator may assign its rights under the comprehensive agreement and/or its rights to the transportation facility;
24. Any and all conditions required by the Federal Highway Administration and any and all conditions required by any other local, state or federal agency having jurisdiction over the project or elements of the project; and
25. Other requirements of the Public-Private Transportation Act of 1995, as amended, and its associated guidelines.

Any changes in the terms of the comprehensive agreement as may be agreed upon by the parties from time to time, shall be added to the comprehensive agreement by written amendment.

CERTIFICATION REGARDING DEBARMENT
PRIMARY COVERED TRANSACTIONS

Project: Interstate 81 PPTA

- 1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - a) Are not presently under active criminal investigation, debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency.
 - b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgement rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; and have not been convicted of any violations of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
 - c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph 1) b) of this certification; and
 - d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
- 2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

The undersigned makes the foregoing statements to be filed with the proposal submitted on behalf of the proposer for contracts to be let by the Commonwealth Transportation Board.

Signature

Date

Title

Name of Firm

CERTIFICATION REGARDING DEBARMENT
LOWER TIER COVERED TRANSACTIONS

Project: Interstate 81 PPTA

- 1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently under active criminal investigation, debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- 2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

The undersigned makes the foregoing statements to be filed with the proposal submitted on behalf of the proposer for contracts to be let by the Commonwealth Transportation Board.

Signature

Date

Title

Name of Firm